

GOVERNOR JENNIFER M. GRANHOLM

June 9, 2006

Hello, this is Governor Jennifer Granholm.

This week, the Bush administration launched negotiations for a new trade agreement with South Korea. This would be the most significant trade pact since the North American Free Trade Agreement, NAFTA, over a decade ago. And, it could have an enormous impact on Michigan's economy.

It's no secret that our economy in Michigan has been hit hard by trade policies, like NAFTA, that have allowed our jobs to be shipped overseas to countries like China. In fact, NAFTA has cost the U.S. and Michigan more than 1 million jobs.

We can't afford to lose more of our manufacturing jobs to another NAFTA-like agreement – and that's why I'm pressing the Bush administration to negotiate not just a "free trade agreement" with South Korea, but a free and fair trade agreement.

Last year, South Korea sent 730,000 vehicles to dealerships all across the United States. The US, on the other hand, only exported 4,000 vehicles to South Korea. That's because South Korea has put up a series of trade barriers to our products that discriminates against cars, trucks and SUVs built right here in Michigan.

Just this week, I sent a letter urging the Bush administration to use the new trade negotiations with South Korea to eliminate that country's unfair trade practices – so that American and Michigan auto manufacturers have a fair opportunity to sell their products overseas.

I'll continue to press the administration to ensure that any new trade agreement will lead to open and immediate access to Korea's market for our domestic auto manufacturers. I know that Korean consumers will buy our cars if they have the opportunity.

There is no question that Michigan has the best workers on the planet. We're not afraid of trade. We can out-compete workers anywhere in the world. We can and do compete in a global economy right now. But our workers and manufacturers need a level playing field. Right now, they're being asked to play with one arm tied behind their back.

Next week, I'll be participating in several roundtable discussions across the state to talk to workers and businesses about how unfair foreign trade impacts real people and jobs right here in Michigan.

In a manufacturing state like Michigan, the automotive capital of the world, these issues are so important for our families. And that's why I'll continue to be a strong advocate and a loud voice in favor of trade that's fair to our products, our businesses and our workers.

Thank you for listening.